

October 14, 2009

Chairman Julius Genachowski Commissioner Meredith Attwell Baker Commissioner Mignon Clyburn Commissioner Michael J. Copps Commissioner Robert M. McDowell Federal Communications Commission 445 12th Street SW Washington, DC 20554

Re: October 22nd Open Meeting

Dear Chairman Genachowski:

The Alliance for Digital Equality (ADE) appreciates the opportunity to comment on the Federal Communications Commission's (FCC) upcoming Notice of Proposed Rulemaking on network neutrality regulations as part of its National Broadband Plan. As you know, our members view broadband as an empowering tool for disadvantaged, underserved and unserved communities across the nation. We believe that individuals, companies, and regulators must take whatever steps necessary to ensure broadband's accessibility and affordability via creative public-private partnerships.

It is for this reason we are writing to ask the FCC to take a measured approach with any network neutrality regulations it might consider. Among other things, the FCC must consider the impact network neutrality regulations would have on minority and low-income communities by requiring a "broadband impact" statement for proposed regulations on telecommunications and business.

We urge the FCC to keep in mind that lower income Americans are far more likely than the more affluent to cut back or eliminate broadband because of economic pressure. According to a recent Pew report, nine percent of Americans cancelled or cut Internet service over the past year because of economic challenges in their households. But more than twice as many (17%) households with incomes under \$20,000 reported that Internet service became a recession casualty during the same period. Among those earning \$30,000-\$40,000, 16% percent of households say they had to cut or trim their Internet service. This data clearly indicates that families at the lower end of the income scale have a tenuous hold on the broadband-way-of-life.

As we have stated on a number of occasions on Capitol Hill and shared in our earlier comments, policymakers must remain vigilant against forces, including misguided legislation and regulation, which may unintentionally make broadband less affordable and accessible. The ADE would like to avoid a regulatory scenario where communities of color that have traditionally been the last to adopt broadband are forced into becoming the first ones off because of escalating costs.

Given the FCC's recent estimate of \$350 billion to achieve universal broadband access, there is a need to address the question of how this expansion will be funded, especially because it is widely thought that new network neutrality regulations will reduce investment in telecommunications infrastructure. Allocating costs more equitably would be a good start. By this we mean shifting costs to those who use the most bandwidth such as commercial and industrial end-users. Since minority and low-income individuals are not typically high bandwidth users, this would allow the digital divide to narrow and simultaneously potentially facilitate economic expansion in underserved communities. The less low-income and middle-income consumers pay for broadband access, the faster our nation will achieve universal broadband adoption.

Implementing new network neutrality regulations in a time of economic uncertainty and significant funding issues is disconcerting to the members of The ADE. One our greatest fears are that well-intentioned network neutrality regulations when implemented could conceivably lead to higher prices for broadband and lower adoption by minorities and lowincome individuals.

To a large degree, the essential elements of ensuring the full economic participation by communities of color during this digital revolution will depend on their accessibility to affordable broadband that can serve to reverse years of economic stagnation.

We all agree that a fair and open Internet with high-speed and mobile broadband is vital to our society in ensuring that minority and low-income communities are not shut out as full participants in the New World Economic Order that will truly transform global communities in the 21st Century. Broadband must remain affordable and accessible to millions of Americans, and particularly to minority and low-income subscribers, who have fueled the tremendous growth of the Internet over the course of the last several years.

Sincerely

Julius H. Hollis

Chairman and Chief Executive Officer, ADE

ADE Board Members

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